

APPROVED
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
MAY 25, 2016 – 3:30 P.M.

Cumulative Attendance
May 2016 - April 2017

<u>Members Present</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Steve Lucas, Chair	P	1	0
Ella Phillips, Vice Chair	A	0	1
Jessie Adderley	P	1	0
Leann Barber	P	1	0
Sonya Burrows	P	1	0
Ron Centamore	P	1	0
Alan Gabriel (dep. 5:33)	P	1	0
Mickey Hinton	P	1	0
John Hooper	P	1	0
Dylan Lagi	P	1	0
Steffen Lue (arr. 4:38)	P	1	0
Dev Motwani	P	1	0
Jacqueline Reed	P	1	0
Scott Strawbridge	P	1	0
John Wilkes (arr. 4:34)	P	1	0

Currently there are 15 appointed members to the Board, which means 8 would constitute a quorum.

It was noted that a quorum was present at the meeting.

Staff

Jonathan Brown, Northwest CRA Manager
Sandra Doughlin, DSD/ECR
Thomasina Turner-Diggs, Project Coordinator
Jamie Opperee, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Chair Lucas called the meeting to order at 3:34 p.m. Roll was called and it was noted that a quorum was present.

II. Approval of Minutes from April 27, 2016 Regular Meeting

Motion made by Ms. Burrows, seconded by Mr. Gabriel, to approve [as amended].

Ms. Barber noted a correction on p.4, paragraph 7: it was she who also spoke in favor of additional consideration of contractors from within the CRA.

In a voice vote, the **motion** passed unanimously.

III. Discussion Items

Chair Lucas recalled that at the April 27, 2016 meeting, the Board approved the Commercial Façade Improvement Program and Streetscape Enhancement Program, but did not approve the Business Property Improvement Program. The remaining proposed CRA incentive programs will be presented at today's meeting. If approved by the Board, Staff will present these programs to the CRA Board for approval on June 7, 2016.

The following Item was taken out of order on the Agenda.

b. Policing Initiatives – Jonathan Brown, NPF CRA Manager

Mr. Brown explained that the Advisory Board previously approved an Ambassador Program for the CRA; however, after reviewing the program with City Staff and City Commissioners, it was determined that the program may not be sufficiently far-reaching, as it covered only the Flagler Village area. The City Commissioners have instead proposed a policing initiative, in which the CRA would fund the placement of Police Officers in a substation located on Sistrunk Boulevard. These Officers would have the sole purpose of walking their beat within the entire CRA and providing a visible presence.

Mr. Brown advised that if the Board approves this program, they would need to determine the extent to which they wish to fund it, as it would carry a cost of roughly \$140,000 per Officer, including salary and benefits. Six Officers are necessary to provide 24-hour, seven-day coverage from the substation, which will total approximately \$800,000. He requested feedback from the Board regarding the need for 24-hour coverage.

Mr. Brown confirmed that the proposed initiative would mean the hiring of Officers for the sole purpose of working within the CRA. This service would not be considered to be complementary to existing Police coverage provided by the City, but would be dedicated

service specific to the CRA. The intent would be to provide a Police presence and ensure the safety of all within the area.

Mr. Centamore asserted that if six Officers are hired to staff the substation, this would provide a single Officer per shift. He also pointed out that the Board is not intended to pay any recurring salaries except those of CRA Staff. He concluded that this initiative would make no difference within the CRA's neighborhoods. Ms. Burrows noted that the substation is not designed to be manned on a full-time basis. She also asked how the proposed initiative would affect the Fort Lauderdale Police Department's Neighborhood Action Teams (NATs), which attend District meetings.

Mr. Strawbridge stated that while he had objections to the proposed Ambassador Program, he advised that this was intended to be an entirely different program than the proposed Policing initiative. He suggested that the CRA use its wireless camera technology to provide monitoring in real time as an alternative to a Police presence.

Ms. Reed observed that she did not feel that the neighborhoods within the CRA are the same as other neighborhoods within the City due to crime. She felt a visible Police presence was necessary in the CRA. Mr. Motwani agreed, pointing out that if the CRA funded Police Officers, there could be a significantly lower support level once the CRA sunsets.

Chair Lucas recalled that when the Ambassador Program was approved for Flagler Village, there was an expectation that it would ultimately expand throughout the CRA if it was a success. He suggested that this program could be paired with other Police activity or wireless monitoring.

Mr. Brown advised that the intent of tax increment financing (TIF) revenue is to eliminate slum and blight, while the Ambassador Program as previously approved would not reach the most blighted areas of the CRA. He also noted that the proposed policing initiative could be implemented in a number of ways, such as funding one to two Police Officers and providing overtime funds for one or more additional Officer(s). Mr. Hooper commented that the visible presence created by the Ambassador Program would be important.

Mr. Brown pointed out that the Ambassador Program would cost \$250,000 and would have operated only within Flagler Village, with no presence in Progresso Village or the Northwest. It would triple this cost to extend the program to these additional areas. He asked if this would be a better presence than Police Officers. Mr. Centamore reiterated that security from wireless cameras may be more helpful, and suggested that the Ambassador Program would not have to remain only in Flagler Village. He agreed, however, that the effectiveness of this program has not been proven, as homelessness remains a problem in areas covered by the Ambassador Program.

Chair Lucas recommended that CRA Staff look for a lower-cost alternative, including use of existing services and technology. Mr. Gabriel agreed, adding that he would be willing to consider other proposals for the entire CRA. He also noted that he has heard no reason why the CRA would be seen as particularly dangerous or in need of additional policing.

Mr. Brown concluded that while Staff would recommend a policing initiative on June 7, they would inform the City Commission that the Advisory Board does not support this proposal. Mr. Gabriel clarified that the Board's objection is to the hiring of additional Police Officers to be funded entirely by the CRA. Ms. Burrows suggested that an additional Police presence could be supplied by offering overtime pay to off-duty Officers.

Chair Lucas observed that when the Ambassador Program was first presented to the Board as an option, Police Officers provided the Board members with a map showing "hot zones" for crime within the CRA. Mr. Brown advised that it can be difficult to bring new businesses into the CRA if there is an existing perception of crime in the area. He emphasized the importance of a Police presence as a deterrent to this behavior.

Mr. Strawbridge commented that the Downtown Development Authority (DDA), which funds the Ambassador Program, has boundaries that extend within the CRA, yet they are not willing to fund the extension of the program without CRA participation. Mr. Centamore added that the funds proposed for a policing initiative would be better spent to improve the neighborhood and provide incentives for redevelopment.

Ms. Burrows stated that she would like to see a program that provides a net gain for the CRA by adding to existing Police coverage. She asserted that if new Officers were brought into the CRA, they should supplement the existing Police presence there rather than replace it.

Mr. Brown concluded that he would bring an updated "hot zone" report to the next Board meeting.

a. Proposed CRA Incentives – Jonathan Brown, NPF CRA Manager

Chair Lucas briefly reviewed the incentive programs discussed at the April 27 meeting, pointing out that the Board had wanted greater detail on the proposed Property Business and Improvement Program before voting to approve it.

Mr. Brown stated that the Board's April 27 vote against approval of the Property Business and Improvement Program (PBIP) meant the previously existing program remains. Staff will recommend a different program, however, because they have received feedback from the community that the existing program does not work. He encouraged the Board to provide input on the changes they would like to see to the

proposed program in order for it to benefit the community. Staff will take the Board's recommendation to the City Commission.

Ms. Barber stated that her understanding at the previous meeting was that Staff would consider the Board's input and re-draft the proposed PBIP accordingly. Mr. Brown advised that the Board did not vote in favor of any specific recommendations, without which Staff may not edit the document. He concluded that Staff felt the current draft was in its best form, although they will make changes if the Advisory Board wishes to vote upon them.

Mr. Brown noted that the Façade Program includes changes voted upon by the Board, while no changes were made to the Streetscape Improvement Program. He recalled that most of the discussion of the BPIP focused on whether or not Staff should have the authority to make certain approvals, as well as whether or not the CRA should provide a dollar-for-dollar match. He confirmed that the BPIP would be presented to the City Commission for approval with or without the Board's recommendations; however, if the Board votes to make changes, the document would reflect these changes.

Motion made by Mr. Strawbridge that based upon the information in the Board's prior discussion, that they support the proposal as Staff has drafted. [The **motion** died for lack of second.]

Mr. Brown advised that the City Commission may not have sufficient time to review the minutes of the previous Board meeting to see the Board's prior discussion of the PBIP. Mr. Strawbridge replied that he would expect Staff to summarize the Board's discussion for the City Commission.

Motion made by Mr. Strawbridge to present [the document] as accepted without condition. [The **motion** died for lack of second.]

Mr. Brown reiterated that the City Commission would be informed that the Board did not recommend approval of the PBIP.

Mr. Lagi recalled that previous discussion of the PBIP had focused on the proposed dollar-for-dollar match requirements. Ms. Reed asserted that the Board had objected to other aspects of the PBIP, including whether or not land may be accepted as part of the match. Mr. Brown noted that within the focus area of the program, the PBIP as presented does not require that any funds be brought to the table by applicants if the project's worth is estimated at a certain amount. He added that he was not certain why the dollar-for-dollar match is an issue, as it would not apply within the focus area. He agreed to clarify this within the document.

Motion made by Mr. Strawbridge to reject this [PBIP] plan in its current form because the Board has been unable to reconcile with Staff the programmatic components, and want[s] more time to go forward. [The **motion** died for lack of second.]

Mr. Brown suggested that the Board may also vote to make changes to the existing program rather than approve the BPPI as presented at the April 27 meeting. He requested additional clarity on how the Board would like their discussion presented to the City Commission.

Ms. Barber recalled that she had recommended a special provision to give extra consideration to contractors from within the CRA area. Mr. Brown explained that the CRA accepts the lowest and most responsive bid, for which there is no way to provide additional consideration. The CRA uses contractors who have been confirmed by the City as part of an approved list for CRA and Housing and Community Development programs.

Ms. Barber asserted that her intent was to give preferential treatment to contractors who own businesses within the CRA, as this would encourage more contractors to establish businesses there. She concluded that she also felt this should supersede the lowest and most responsive bid if the local bid is within a certain percentage of the lowest bid. Mr. Brown agreed to inform the City Commission that the Board would like this consideration made.

Mr. Wilkes arrived at 4:34 p.m.

Chair Lucas moved on to address the Development Incentive Program (DIP). Ms. Barber stated that her suggestion to give priority to contractors from within the CRA should be included under the special conditions of this program as well. Mr. Brown reiterated that the pool of contractors is not limited to a local area.

Mr. Lue arrived at 4:38 p.m.

Mr. Strawbridge pointed out that when bids are evaluated, the lowest and most responsive bid is not always the bid selected: there are times when the most qualified bid does not meet these criteria, but may instead focus on experience and ability to invest in a neighborhood. He cited the selection of minority-owned and disadvantaged businesses as an example. He declared that the City seemed to be finding ways not to invest in the CRA community, and that Staff seemed to have come to a decision about the proposed programs without taking Board input into consideration.

Mr. Brown replied that Staff would take both its recommendations and the Board's recommendations to the City Commission. He requested that the Board vote on the program to determine whether or not there is consensus.

Motion made by Mr. Centamore, seconded by Mr. Gabriel, that the Board accept [the program] as is.

Ms. Reed recalled that during the previous month's discussion of the PBIP, the Board had considered the possibility of allowing land to be used as a match as well as dollars. She advised that this could apply to other incentive programs as well.

In a roll call vote, the **motion** failed 6-8 (Ms. Barber, Ms. Burrows, Mr. Hinton, Mr. Hooper, Mr. Motwani, Ms. Reed, Mr. Strawbridge, and Mr. Wilkes dissenting).

Motion made by Ms. Barber to approve with the special conditions [to] encourage the use of contractors but that they give special privilege to be determined for contractors from within the CRA. [The **motion** died for lack of second.]

Mr. Brown pointed out that for very large projects of \$50 million or more, the developer may also be the contractor. Ms. Barber suggested that in this case the developer could be encouraged to hire local subcontractors. Mr. Brown added that all contractors on the City-approved list must be invited to bid on the work to be done.

Mr. Gabriel observed that the City-approved list includes several criteria that must be met by contractors, and advised that locality may already be taken into consideration when they are added to the approved list. Ms. Barber stated that she wanted contractors from within the CRA to be given additional consideration during the award process rather than the establishment of the list.

It was suggested that Ms. Barber's recommendation of special consideration during the procurement process for contractors within the CRA could be communicated to the City Commission separately from the Board's recommendations on incentive programs.

It was further clarified that the special conditions listed as part of the DIP would only apply to projects worth \$5 million or more. Mr. Centamore cautioned that requiring projects of this size to allow bids only by City-approved contractors could discourage those developers.

Mr. Lagi requested clarification of whether or not the DIP would allow other CRA incentive programs to be combined. Mr. Brown confirmed this, stating that the DIP allows the CRA Board flexibility in leveraging incentives and other opportunities. Mr. Lagi and Mr. Motwani also felt that requiring the use of City-approved subcontractors could be a mitigating factor that discourages some developers.

Motion made by Mr. Strawbridge, seconded by Ms. Barber, to approve [the program] on the condition that they delete the existing special conditions section and replace it with a 15% set aside for minority and disadvantaged businesses and a minimum of one

in three of all new hires during the construction process be from the City of Fort Lauderdale. [The **motion** was not voted upon.]

Mr. Brown noted that there is also a job creation/retention requirement aspect of the program, which would be open for discussion when a project is brought before the Board. Mr. Strawbridge pointed out, however, that this phrase includes the word “may” rather than language strictly requiring this practice.

Motion made by Mr. Motwani, seconded by Mr. Strawbridge, to approve the program as written, striking the special conditions with a preference, where possible, that effort be given and best efforts be made to hire locally and utilize local contractors.

Mr. Centamore requested clarification that the portion of a project to which preference is given would be those funded through an incentive program. Mr. Motwani **amended** his **motion** with the following addition: to be applied to the aspect of the project that utilizes CRA funds. He also **amended** the phrase “local contractors” to “Fort Lauderdale contractors.”

In a roll call vote, the **motion** passed 14-0.

The Board moved on to the Commercial Tenant Lease Assistance Program, which Mr. Brown noted could be difficult to administer. The program would provide assistance to businesses that may need help in paying for their leases. He cautioned that one difficulty could be the likelihood that some property owners will raise the rent if they are aware the CRA will help pay it. Chair Lucas commented that it could also be difficult for a renter to demonstrate need.

Mr. Strawbridge proposed that the CRA could instead provide start-up grants for individuals with ideas for businesses. He pointed out that the program could be specifically tied to properties within the CRA.

Motion made by Mr. Gabriel, seconded by Mr. Wilkes, not to recommend approval. In a roll call vote, the **motion** passed 14-0.

Mr. Brown continued with the Property Tax Reimbursement Program, which is very similar to the existing program, with the clarification that reimbursement is only for the CRA portion of TIF revenue. The program also includes a dollar-for-dollar match. He described the program as an effective way to stretch incentives over more than one year, as the CRA portion of TIF revenue would be reimbursed over a five-year period.

Mr. Strawbridge praised the program as one of the strongest tools available to communities, particularly for those with an interest in historic preservation.

Motion made by Mr. Strawbridge, seconded by Mr. Gabriel, to approve.

It was that the reimbursement percentages are slightly different from those of the current program, as follows:

- Year 1: 95% reduction
- Year 2: 90% reduction
- Year 3: 85% reduction
- Year 4: 80% reduction
- Year 5: 75% reduction

Mr. Brown advised that Staff would be comfortable with either the recommended or currently existing percentages.

Mr. Strawbridge **withdrew** his **motion**.

Motion made by Mr. Motwani to approve, subject to two modifications: one would be to amend the percentages to the current program, which is 95, 90, 85, 80, 75, and secondly, the same modification to the special conditions that [the Board] discussed, where they encourage them to utilize local businesses and hire locally.

Mr. Brown advised that many economic offices across the country offer similar incentive programs. Mr. Strawbridge expressed concern that a developer who funds 100% of a project, with no financial assistance from the CRA, could recoup the TIF revenue generated by that project. Mr. Brown clarified that an application would be subject to approval by the Advisory Board. The percentages listed are the maximum available, and could be modified by the CRA Board at the time of approval.

Mr. Centamore **seconded** the **motion**.

Mr. Strawbridge also pointed out that it would be possible for a developer with no demonstrated need for funding could benefit from the program. He felt the program should include consideration of any project from an early stage.

Mr. Gabriel left the meeting at 5:33 p.m.

In a roll call vote, the **motion** passed 8-4 (Ms. Adderley, Ms. Barber, Ms. Burrows, and Mr. Wilkes dissenting). (Mr. Strawbridge was not present for the vote.)

The Board addressed the Residential Rehabilitation Forgivable Loan Program, which Mr. Brown characterized as a typical rehabilitation and home buyer program, targeting families who earn up to 160% of the area median income (AMI). He estimated that one to two families with moderate incomes could be assisted per year.

Mr. Lagi noted that this residential housing program is a departure from most other CRA programs, which primarily target commercial development. Mr. Wilkes also asked how

this program related to the elimination of slum and blight, and pointed out that residential development is unlikely to generate TIF income. Mr. Brown replied that quality housing is necessary to attracting quality economic development. Both infill and rehabilitated housing must be available as the CRA develops.

While other programs available through the Department of Housing and Community Development target families with low to very low incomes, Mr. Brown noted that individuals living within the CRA who do not qualify for these programs may still need repairs and rehabilitative work on their homes. Homeowners are asked to provide 10% of the necessary cost of repairs if it exceeds \$55,000. The program emphasizes correction of Code violations and health and safety issues. Restrictive covenants would be issued to prevent the program from being used by “house flippers.” If a property is sold, the owner must repay 100% of the loan.

Mr. Brown concluded that the program is restricted to homesteaded, owner-occupied properties.

Mr. Wilkes stated that the program should be limited to exterior rather than interior improvements. Mr. Brown estimated that most rehabilitations average between \$40,000 and \$45,000 for interior and exterior renovations. Chair Lucas also expressed concern regarding the administration of the program, which he felt could be subject to fraud. Mr. Strawbridge pointed out that 160% of AMI could apply to families with an income of \$60,000. It was noted that the CRA Plan calls for more single-family housing within the area.

Motion made by Ms. Burrows, seconded by Ms. Barber, to accept the new Residential Rehab Forgivable Loan Program as presented. In a roll call vote, the **motion** passed 8-5 (Chair Lucas, Mr. Centamore, Mr. Hooper, Mr. Lagi, and Mr. Wilkes dissenting).

Mr. Brown described the Purchase Assistance Program, which would encourage building on infill housing lots owned by the City. When the lots are put out for bid, funds would be made available to the developer or contractor, who would then provide a dollar-for-dollar match of these funds to the homeowner. This allows cash flow for the contractor and the City to provide assistance to the homeowner.

Mr. Centamore pointed out that it can be very difficult to build on some infill lots. Mr. Brown explained that the City has compiled a list of its buildable lots. He noted that the term “homesteaded” may be added to the description of the program in lieu of the term “primary residence.” The program would be available to families making up to 160% of AMI and would provide a forgivable, no-interest loan. He estimated that eight to ten lots per year could be put out for bid through the program.

Motion made by Mr. Wilkes, seconded by Mr. Motwani, as presented, with the addition that the properties are homesteaded. In a voice vote, the **motion** passed unanimously.

IV. Mosaic Update – Mosaic Group

This Item was not presented.

V. Monthly Financial Report – Jonathan Brown, NPF CRA Manager

This Item was not presented.

VI. Communication to CRA Board

None.

VII. Public Comment

None.

VIII. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 5:56 p.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

[Minutes prepared by K. McGuire, Prototype, Inc.]